



2014-15 Differentiated Pay Plan Submission Template

In June 2013, the State Board of Education passed a revised set of guidelines pursuant to Tenn. Code Ann. §49-3-306(h), which requires districts to create and implement differentiated pay plans. The intent of the differentiated pay plans is to give local control to districts in regard to salary schedule, and to create another lever for districts to attract and retain teachers based on a flexible set of potential criteria. A complete copy of the policy can be found [here](#).

Structure of this Document

The document includes two required sections where districts will describe their proposed 2014-15 differentiated pay plans and salary schedules. An optional section is also included on stakeholder engagement and eligibility. Finally, districts that choose to propose an [alternative salary schedule](#) as their differentiated pay plan, or part of their plan, will need to complete a short [addendum](#). A list of the common differentiated pay terms used throughout this document can be found in [Appendix A](#).

Timeline

The department has created a flexible timeline for differentiated pay plan submission to better meet the various deadlines of each district's local school board and budget processes. The table below outlines this timeline:

General Differentiated Pay Plan Submission Timeline	
Prior to submission	Local school boards are informed of and/or approve differentiated pay plans that will be submitted to TDOE
Jan. 2, 2014	TDOE begins accepting differentiated pay plan submissions
Ongoing	Districts submit differentiated pay plans to TDOE
Three weeks after date of submission	TDOE communicates approval decision to school districts
Following TDOE approval notification but no later than June 30, 2014	Local school boards approve final differentiated pay plans and any associated budget items

For those districts that choose to implement an [alternative salary schedule](#) as their differentiated pay plan (see page 5 for more detailed information on this option) the following timeline will be used in order to meet the necessary State Board of Education (SBE) deadlines.

Alternative Salary Schedule Submission Timeline	
Prior to submission	Local school boards are informed of the alternative salary schedule that will be submitted to TDOE
Jan. 2, 2014	TDOE begins accepting differentiated pay plan submissions
Jan. 31, 2014	Districts submit alternative salary schedules to TDOE
By Feb. 21, 2014	TDOE communicates approval decision of the alternative salary schedule to school districts
By March 8, 2014	Local school boards approve the alternative salary schedule
March 8, 2014	TDOE submits alternative salary schedule documents to the SBE
April 18, 2014	SBE Meeting

All differentiated pay plans and alternative salary schedules should be submitted to Laura.Encalade@tn.gov. The department also plans to post the final differentiated pay plans on its website.

Note that while the differentiated pay plan must be implemented in the 2014-15 school year, the first payouts from those plans could occur, particularly for those plans which include performance related criteria, at the completion of the 2014-15 school year when all relevant student achievement data is available. Following the 2014-15 school year, the department will collect evidence of implementation, including information regarding the number of awards that were paid out.

Contact Laura Encalade at Laura.Encalade@tn.gov or (615) 253-2119 for additional questions or guidance on creating your differentiated pay plan or on the submission and approval processes.

I. Description of Differentiated Elements (Required Section)

Directions: For each element of the district's differentiated pay plan, use the table below to provide a description of how the district will differentiate pay. The plan must include **at least one** of the elements listed below in the left-hand column, in addition to education and experience.

Many plans may include a combination of several elements; therefore, please add rows or repeat differentiated elements as needed. For example, the plan may include two different types of additional instructional roles. Also, please feel free to delete from the table or leave blank any differentiated elements that will not be used in your plan.

[Appendix B](#) of this document contains an example of each type of differentiated element. Please review that example prior to completing the table below.

Differentiated Element	Description	Compensation Type and Size	Reach	Estimated Cost	Estimated Salary Expenditures
	<p><i>Describe how the district will differentiate for this element.</i></p> <p><i>Include the criteria for receiving the award.</i></p>	<p><i>Will the compensation be given as a bonus or a base pay increase?</i></p> <p><i>How much will qualifying teachers receive?</i></p>	<p><i>Eligibility: How many teachers are eligible for this type of compensation?</i></p> <p><i>Forecasted participation: How many teachers do you estimate will receive the award?</i></p>	<p><i>How much does the district estimate it will pay out for this differentiated pay element?</i></p>	<p><i>What percentage of salary expenditures (excluding benefit costs) does this element cover?</i></p>
Hard-to-Staff (School, Subject, or Placement)					
Performance	<ol style="list-style-type: none"> District meets majority of State AMO's and Gap Closure Targets: Teachers will be compensated if the District meets its targets during the 2014-15 school year. Schools meet majority of State AMO's and 	<ol style="list-style-type: none"> Compensation will be in bonus form \$250 per teacher. Compensation will be in bonus form \$250 per teacher. 	<ol style="list-style-type: none"> 527 teachers are eligible and we estimate paying all teachers this award. 527 teachers are eligible and we estimate paying all teachers this award. 	<ol style="list-style-type: none"> \$131,750 total funding \$131,750 total funding 	<p>All areas of differentiation will be in bonus form and will not affect base salary.</p>

	<i>Gap Closure targets: Teachers will be compensated if the school meets its targets during the 2014-15 school year.</i>				
Additional Instructional Roles or Responsibilities	<p><i>1. Mentor Teachers and Instructional Coaches: Mentors will be assigned to Level 1 low performing teachers and will have defined requirements and expectations along with job description to improve student learning in the classrooms of Level 1 teachers.</i></p> <p><i>2. Attendance of Extra Professional Development Up to 3 days approved by Principal or</i></p>	<p><i>3. Compensation will be in bonus form: \$500 per mentor/coach for year.</i></p> <p><i>4. Compensation will be in bonus form \$100 per PD attended maximum of \$300 per teacher.</i></p>	<p><i>3. 29 teachers are eligible this year annually will be determined by number of level 1 teachers identified.</i></p> <p><i>All teachers serving as mentors/coaches will receive the award.</i></p> <p><i>4. 527 teachers are eligible. We estimate 264 will take advantage of the award.</i></p>	<p><i>1. \$14,500</i></p> <p><i>2. \$158,000 total funding at maximum we estimate \$79,200 in funds will be expended.</i></p>	<i>All areas of differentiation will be in bonus form and will not affect base salary.</i>

	<p><i>Supervisor: Teachers will be have the option of attending extra professional development to improve instruction linked to their evaluation provided it is Principal/Supe rvisor approved. A maximum of 3 days will be paid.</i></p>				
Education					
Experience					
Other					

II. Salary Schedule (Required Section)

- Please include below or attach a copy of the district's proposed 2014-15 salary schedule.

(Below is the salary schedule we currently use for the 2013-14 school year. We plan to at a 3% increase to the state portion of the salary schedule for 2014-15 but the schedule will not be ready until the budget is passed by our board and county commission which could be in late June.)

Degree	0 Yrs	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	6 Yrs	7 Yrs	8 Yrs	9 Yrs	10 Yrs	11 Yrs	12 Yrs	13 Yrs	14 Yrs	15 Yrs	16 Yrs	17 Yrs	18 Yrs	19 Yrs	20-24 Yrs	25 Yrs	26-30 Yrs	31+ Yrs
DR	43,361	43,972	43,977	44,673	45,558	46,454	47,569	48,620	50,028	51,056	51,242	52,283	52,408	53,574	53,764	54,876	54,881	55,821	55,821	56,796	56,813	56,841	57,341	57,841
EDS	40,893	41,110	41,295	41,560	42,100	42,836	44,043	44,937	46,208	47,158	47,344	48,310	48,510	49,496	49,691	50,712	50,723	51,573	51,573	52,438	52,455	52,483	52,983	53,483
MA+30	39,123	40,368	40,555	40,805	41,316	41,942	42,569	43,262	44,463	45,368	45,568	46,505	46,675	47,636	47,826	48,792	48,803	49,608	49,608	50,433	50,450	50,478	50,978	51,478
MA	37,335	38,672	38,768	38,997	39,622	40,115	40,711	41,444	42,604	43,408	43,588	44,457	44,627	45,523	45,720	46,629	46,640	47,385	47,385	48,135	48,152	48,180	48,680	49,180
BS/BA	34,177	36,391	36,504	36,678	37,055	37,504	37,995	38,461	38,032	39,797	39,928	40,794	40,868	41,639	41,820	42,628	42,637	43,272	43,272	43,927	43,944	44,227	44,727	45,227

III. Eligibility and Stakeholder Engagement (Optional Section)

- Provide a list of eligibility rules (i.e., attendance requirements, retirement or transfer policies, etc.) for the differentiated pay plan elements or additional roles/responsibilities outlined in the plan.

Eligibility Requirements

- Employed within the first 20 days for school
- Attendance of 95% or better (cannot be absent more than 9 days in school year)
- Goals may be adjusted based on the most current state issued AMO and/or Gap Closure measures

Differentiated Pay Guidelines

- Bonus will be the sum total of all goals met.
- Bonuses will be distributed in a one-time pay-out in the fall, pending the return of data from the SDE.
- If you leave Warren County Schools (without completing the school year) or are released from your employment you will not receive a bonus.
- All bonuses are pending program funding and may not occur annually as presented.

- Employees who complete the school year and are in good standing (i.e. Retirement, resignation at end of school year, etc) the employee would receive the bonus.

2. Include a description of how the district engaged teachers or other stakeholders in the development of the differentiated pay plan.

The district engaged stakeholders and teachers in this process by using the collaborative conferencing process and committee to begin the engagement process. The collaborative conferencing committee met on numerous occasions to discuss what we as a school system would like to see in a Differentiated Pay plan to help us meet our goals and achieve our mission. After each meeting the committee engaged stakeholders and teachers in the discussion gathering feedback and bringing that feedback back to the next committee meeting. The Warren County Board of Education was made aware of the progress made through the committee and informed of the final draft of the pay plan prior to taking the plan for full system-wide feedback. Three dates were scheduled in the afternoons of January 13th, January 27th, and February 10th to present the draft plan to teachers and gather their feedback and suggestions on the plan. Once all feedback as gathered and discussed in the collaborative conferencing committee a memorandum of understanding was developed and voted on and then presented to the board of education for their approval. The Warren County Board of Education has voted on and approved this plan on (date) and is presented to the state department of education for approval for the 2014-15 school year.

IV. Alternative Salary Schedule (Optional Section)

An alternative salary schedule uses some other component, often performance criteria, in addition to or in place of education and experience to determine base pay and is subject to State Board of Education (SBE) approval. If you are unsure whether your plan qualifies as an alternative salary schedule or for additional resources for developing such a plan, contact Laura Encalade at Laura.Encalade@tn.gov for more information. Please review the [specific submission timeline](#) for alternative salary schedules on page 2.

Those districts proposing an alternative salary schedule as part of their differentiated pay plan, must complete this addendum to provide the department with the additional information needed to present the salary schedule to the SBE on behalf of the LEA. Those districts which already have SBE approved alternative salary schedules need only to submit a current copy of that plan.

a. Salary Schedule

Include both the proposed salary schedule and a description of the following:

- How will base pay changes be determined?
- Will existing employees have an opt-out provision for the alternative salary schedule? If so, when will all employees transition to the alternative salary schedule?
- How will the following groups be placed on the alternative salary schedule?:
 - Existing district employees
 - Educators new to teaching with zero years of experience
 - Educators new to the district but with prior experience

b. Eligibility Criteria

If not already included in Section IV on the previous page, describe below or include in an attachment a copy of any eligibility rules for the alternative salary schedule.

c. Feasibility Analysis

Attach evidence using 2012-13 data (at a minimum) that the alternative salary schedule is financially feasible. Please reach out to Laura.Encalade@tn.gov for additional information or support in meeting this requirement.

d. Stakeholder Engagement

Include a description of how the district engaged teachers or other stakeholders in the development of the differentiated pay plan.

Appendix A: Common Differentiated Pay Definitions

1. Base pay (base salary): An individual's salary excluding any additional compensation in the form of bonuses, stipends, or supplements for additional work or responsibilities.
2. Bonus/stipend: Additional compensation for a pre-defined set of criteria. Bonus and stipend pay are awarded in addition to or "on top of" an individual's base pay. Bonuses/stipends are one-time payments awarded for a specific role, additional responsibility, or achievement of particular criteria. Bonuses and stipends are not a part of base salary and do not become a reoccurring part of an individual's compensation.
3. Traditional salary schedule (or step and lane schedule): A salary schedule that uses years of experience and education levels exclusively to determine educator's increases in base pay. Traditional schedules may follow the same structure as the state minimum salary schedule. Salary schedules that modify the amount of the step increases given for experience or change the structure of the education lanes may still be considered a traditional schedule as long as they meet or exceed the relevant state minimums.
4. Alternative salary schedule¹: A salary schedule that uses some other component, often a performance measure, in addition to or in place of education and experience to determine base pay. A schedule where an educator's evaluation score is used to determine the amount of his or her yearly base pay increase is an example of an alternative salary schedule. Alternative salary schedules are subject to State Board of Education approval.
5. Opt-in/opt-out provision: Individuals are provided with the choice to participate in a program. This provision is most often associated with alternative salary schedules and is not a required provision.

¹ If you are unsure as to whether your plan is a traditional salary schedule or an alternative salary schedule, please contact Laura.Encalade@tn.gov.

Appendix B: Sample Differentiated Pay Plan Table

Note that these examples are for purposes of explaining HOW TO complete each of the table criteria. These examples are NOT intended to be recommendations or endorsements for specific differentiated pay elements. Districts are required to differentiate pay for **at least one element** in addition to **education and experience**. Because plans may include a combination of several elements, please add rows or repeat differentiated elements as needed. Please feel free to delete from the table any differentiated elements that will not be used in the district's plan.

Differentiated Element	Description	Compensation Type and Size	Reach	Estimated Cost	Salary Expenditures
	<p><i>Describe how the district will differentiate for this element.</i></p> <p><i>Include the criteria for receiving the award.</i></p>	<p><i>Will the compensation be given as a bonus, stipend, or a base pay increase?</i></p> <p><i>How much will qualifying teachers receive?</i></p>	<p><i>Eligibility: How many teachers are eligible for this type of compensation?</i></p> <p><i>Forecasted participation: How many teachers do you estimate will receive the award?</i></p>	<p><i>How much does the district estimate it will payout for this differentiated pay element?</i></p>	<p><i>What percentage of salary expenditures (excluding benefit costs) does this element cover?</i></p>
Hard-to-Staff (School, Subject, or Placement)	The district will offer a signing bonus and retention bonus in the hard-to-staff area of secondary math. This will include positions in Algebra II, Pre-Calculus, and Calculus.	The award will be given as a two-part bonus. \$1,000 at the time of signing and an additional \$2,000 at end of the school year when evidence of satisfactory evaluation results are also available.	<p>This award will be available to new teachers to the district. The district typically hires 2 positions per school year in the areas defined.</p> <p>Existing teachers (3) in the subjects defined will also be eligible for the same bonus as a retention incentive.</p>	The estimated total for this is \$15,000 (5 teachers at \$3,000 each).	This award makes up less than 2% of the district's annual salary costs.
Performance	The district will incorporate a new salary schedule that uses evaluation criteria to determine base pay changes ² . A full description of the new schedule is attached in the addendum.	Teachers who receive a 3 will receive a base pay increase of 3-\$300, 4-\$500, 5-\$700. Those teachers receiving a 1 or 2 will not increase their base pay.	<p>All teachers (150) are eligible to receive the award.</p> <p>A copy of the complete eligibility rules is attached.</p> <p>Based on the last two years of evaluation data, the district anticipates between 80-85% of</p>	<p>The district anticipates the total cost to be \$40,000 based on last year's evaluation data.</p> <p>The district will sustain this cost by removing base pay</p>	These payouts will form close to 100% percent of salary costs, with the exception of some career ladder and other supplements.

² This differentiated element would qualify as an alternative salary schedule, and the district would need to complete the [Alternative Salary Schedule section](#) on page 5.

			teachers will receive a base pay change.	increases for Level 1 and 2 teachers.	
Additional Instructional Roles or Responsibilities	<p>The district will further its implementation of PLCs through the creation of a PLC leadership role.</p> <p>Highly effective teachers (scores of 4 or 5) will receive a stipend to lead and facilitate the monthly PLC meetings.</p>	The award will be given yearly in the form of a \$1,000 stipend.	<p>Any teacher who receives a 4 or 5 on their evaluation would be eligible to apply for the position. District and school leaders will then screen for additional qualities like leadership and facilitation skills. (Draft job description is attached.)</p> <p>There will be a total of 20 PLC leaders in the district:</p> <ul style="list-style-type: none"> - 6 at the high school, - 4 at the middle school, - 5 at each of the 2 elementary schools. 	The estimated cost of these awards is \$20,000.	This will compromise about 2% of district salary expenditures.
Education	<p>The district will include Bachelor's and Master's degrees for eligible base pay compensation as shown in the attached 2014-15 salary schedule. Degrees above a Master's will no longer be compensated in base pay.</p> <p>Advanced degrees above Master's degree will be eligible for tuition reimbursement with district pre-approval.</p>	<p>Master's degrees will be awarded with a base pay increase.</p> <p>Tuition reimbursement stipends of \$4,000 per year per individual for advanced degrees above Master's. The district must be notified in advance of the start of a program by the educator in order to receive the stipend.</p> <p>Those teachers currently enrolled in programs prior to July 1, 2014 will be eligible for base pay increases on the previous year's schedule, provided that those programs are completed by July 1, 2016.</p>	<p>The district currently has 15% of its teachers with an advanced degree above the Master's Level.</p> <p>We anticipate based on previous data that approximately 10-12 teachers will qualify for tuition reimbursement stipends each year.</p>	<p>This estimated total cost of this element is \$40,000-48,000 per year.</p> <p>The district expects to fund this cost by limiting permanent base pay increases to Master's degrees only.</p>	This will comprise about 8% of district salary expenditures.
Experience	The district will continue to award step increases for each	Each teacher will earn a yearly step increase for years of	All teachers are eligible.	The average step increase in the	This experience payment makes up

	year of experience. The attached salary schedule contains proposed amounts.	experience.		district is \$400 per year. The estimated cost is \$100,000	20% of the districts expenditures on salary.
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